



**FILED**

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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Southern California Edison Company's  
Application For Approval of Embedded Energy  
Efficiency Pilot Programs for 2007-2008

Application 07-01-024  
(Filed January 16, 2007)

And Related Matters.

Application 07-01-026  
Application 07-01-029  
Application 07-01-030

**ASSIGNED COMMISSIONER'S RULING  
ON THE EVALUATION OF THE EMBEDDED ENERGY IN WATER PILOTS**

There has been some question among the parties as to who will be overseeing the impact evaluation work of the embedded energy in water pilots. As I stated in the scoping ruling issued April 23, 2007, 18% of the total proposed pilot budget of \$10 million will be reserved for impact work, and 2% of the total budget will be used for process evaluations. Should the pilots be approved, Energy Division will be responsible overseeing the impact work while the energy utilities will be tasked with the process evaluations. This division of the evaluation work is consistent with Commission precedent in the evaluations of the 2006-2008 programs, and was established in Decision 05-01-055 which states:

For the 2006 program year and beyond, Energy Division will assume management and contracting responsibilities for all EM&V studies that will be used to:

1. Measure and verify energy and peak load savings for individual programs, groups of programs and at the portfolio level (including load impacts, useful measure life, savings retention and persistence studies);

2. Generate the data for savings estimates and cost-effectiveness inputs;
3. Measure and evaluate the achievements of energy efficiency programs, groups of programs and/or the portfolio in terms of the "performance basis" established under Commission-adopted evaluation, measurement, and verification (EM&V) protocols, and;
4. Evaluate whether program or portfolio goals are met.

In the supplemental testimony filed June 14, 2007, the utilities submitted further detail on their EM&V plans and information on a series of studies that would be executed in tandem with the implementation of the pilot programs. I was very pleased with the quality of these plans, and am ordering Energy Division staff to consider these documents when crafting the impact evaluation plan.

I also want to express my appreciation for all of the work done by the water utilities and other parties to shape the utilities' proposals. Since at this stage there do not appear to be factual disputes or a need for evidentiary hearings, I endeavor to issue a decision approving or denying these pilots proposals at the earliest possible date. If approved, we anticipate starting the embedded energy in water pilots January 1, 2008.

**IT IS RULED that:**

1. Energy Division will oversee the evaluation work of the embedded energy in water pilots taking into consideration the EM&V proposals submitted by the investor-owned utilities in their June 14, 2007 supplemental testimony.

2. The utilities should prepare for starting the pilot programs January 1, 2008, if approved.

Dated July 27, 2007, at San Francisco, California.

/s/ DIAN M. GRUENEICH

Dian M. Grueneich  
Assigned Commissioner

### **INFORMATION REGARDING SERVICE**

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated July 27, 2007, at San Francisco, California.

/s/ SANDRA M. JACKSON

Sandra M. Jackson